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6 Proposed Attorneys for Chapter 11 Debtor and Debtor in Possession
7

8 **UNITED STATES BANKRUPTCY COURT**
9 **NORTHERN DISTRICT OF CALIFORNIA**
SAN FRANCISCO DIVISION

10 In re:) Case No. 15-31480
11)
MAGNOLIA BREWING COMPANY, LLC,) Chapter 11 Case
12 also doing business as McLean Breweries,)
13 Debtor and Debtor in Possession.) **OMNIBUS DECLARATION OF JOHN**
14) **APPEL IN SUPPORT OF:**
15)
16) **(1) DEBTOR'S EMERGENCY**
17) **MOTION FOR, AND MEMORANDUM**
18) **OF POINTS AND AUTHORITIES IN**
19) **SUPPORT OF, ENTRY OF INTERIM**
20) **AND FINAL ORDERS:**
21)
22) **(I) AUTHORIZING DEBTOR TO**
23) **USE CASH COLLATERAL**
24) **PURSUANT TO 11 U.S.C. § 363;**
25) **(II) GRANTING ADEQUATE**
26) **PROTECTION TO PRE-**
27) **PETITION SECURED**
28) **CREDITORS PURSUANT TO 11**
U.S.C. §§ 361, 363, AND 507;
(III) SCHEDULING A FINAL
HEARING PURSUANT TO
FED.R.BANKR.P. 4001(B); AND
(IV) GRANTING RELATED
RELIEF; AND
(2) DEBTOR'S EMERGENCY MOTION
FOR ORDER: (1) AUTHORIZING
DEBTOR TO (A) PAY AND HONOR
PRE-PETITION EMPLOYEE WAGES,

1) RELATED PAYROLL TAXES,
2) REIMBURSEABLE EXPENSES AND
3) OTHER EMPLOYEE OBLIGATIONS IN
4) THE ORDINARY COURSE OF
5) BUSINESS; (B) HONOR ACCRUED
6) VACATION, LEAVE AND OTHER
7) BENEFITS; AND (2) PROVIDING
8) RELATED RELIEF
9)
10)
11)
12)

13 Date: December 2, 2015
14 Time: 9:30 a.m.
15 Place: U.S. Bankruptcy Court
16 Courtroom 22
17 235 Pine St., 23rd Floor
18 San Francisco, CA 94101
19 Judge: The Hon. Dennis Montali
20)
21)
22)
23)
24)
25)
26)
27)
28)

13 I, John Appel, hereby declare as follows:

14 1. Unless indicated to the contrary, I have personal knowledge of the facts set forth
15 below and, if called to testify, would and could competently testify thereto.

16 2. I am the former chief financial officer of and consultant for Magnolia Brewing
17 Company, LLC (also doing business as McLean Breweries) (the "Debtor"), the chapter 11 debtor
18 and debtor in possession in the above-captioned bankruptcy case.

19 3. I have served in my role as consultant or chief financial officer since June 1, 2015.
20 I began my tenure as chief financial officer, then resigned my post to act as a consultant to the
21 Debtor on or about November 10, 2015. As such, I am knowledgeable of the Debtor's business
22 and financial affairs; I am familiar with the Debtor's creditors; and I have been designated by the
23 Debtor's managing member to serve as the Debtor's designated representative in its bankruptcy
24 case, and I have agreed to serve in this capacity.
25

26 4. I am a graduate of UC Berkley with an MBA from the Wharton School and have
27 28 years of work experience in private equity, venture capital, and investment banking. I have

1 operational experience as chief financial officer and interim management. I have specific
2 experience in restaurant businesses and out-of-court turnarounds.

3 5. I make this Declaration in support of the Debtor's first day emergency motions
4 (collectively, the "Motions") as set forth below:

5
6 a. *Debtor's Emergency Motion for, and Memorandum of Points and*
7 *Authorities in Support of, Entry of Interim and Final Orders: (I) Authorizing*
8 *Debtor to Use Cash Collateral Pursuant to 11 U.S.C. § 363; (II) Granting*
9 *Adequate Protection to Pre-Petition Secured Creditors Pursuant to 11 U.S.C. §§*
10 *361, 363, and 507; (III) Scheduling a Final Hearing Pursuant to Fed.R.Bankr.P.*
11 *4001(b); and (IV) Granting Related Relief (the "Cash Collateral Motion")*; and

12 b. *Debtor's Emergency Motion For Order (1) Authorizing Debtor to (A) Pay*
13 *and Honor Pre-petition Employee Wage, Related Payroll Taxes, Reimbursable*
14 *Expenses And Other Employee Obligations In The Ordinary Course Of Business,*
15 *and (B) Honor Accrued Vacation, Lease And Other Benefits; and (2) Providing*
16 *Related Relief (the "Payroll Motion").*

17
18 **A. Background**

19 6. The Debtor filed a voluntary petition under Chapter 11 of the Bankruptcy Code on
20 November 30, 2015 (the "Petition Date"). The Debtor continues to operate its business, manage
21 its financial affairs and administer its bankruptcy estate as a debtor-in-possession. As explained
22 above, I am the designated responsible individual in this case.

23
24 **B. The Debtor's Business, Assets and Liabilities**

25 7. The Debtor owns and operates a 30-barrel production brewery located at 3rd and
26 22nd in San Francisco, California, which was first opened in 2014, as well as an adjacent
27 restaurant, Smokestack. The Debtor also owns the Magnolia Pub and Brewery located at Haight
28

1 and Masonic in San Francisco as a result of the Debtor's acquisition of those assets from McLean
2 Breweries, Inc. ("McLean") pursuant to a merger between the Debtor and McLean, which
3 occurred in January, 2015. Before the merger, the Debtor and McLean had common management
4 and a number of common employees and substantially similar ownership.

5
6 8. The Smokestack Restaurant is a modern American gastro-pub serving the highest
7 quality barbeque, a full line of beers from the Magnolia Brewery, and a full bar with signature
8 cocktails and one of the best selection of fine and rare bourbons and rye whiskies in San
9 Francisco. The Smokestack Restaurant offers a full-service menu, but with a focus on meat, and
10 the brisket is the specialty that has gained wide popularity and praise with diners in San
11 Francisco, while the bar and its signature cocktails and craft beers have earned high marks and a
12 following. With butcher-block long communal tables and a rustic chic décor, the restaurant
13 presents an impressive space that seats and serves up to 100 guests. In addition to the restaurant
14 and bar, the loading dock to the brewery provides a casual event space for group events that is
15 highly popular. Located in a bustling and hip neighborhood of San Francisco, the Smokestack
16 Restaurant and related brewery enjoy a busy and robust business from clientele in the local
17 neighborhood and the nearby University of California San Francisco campus.

18
19 9. The Magnolia Pub and Brewery is located in the bustling Haight Ashbury district,
20 serving a full menu that prides itself on local, sustainable, fresh, and high quality ingredients. The
21 brewery offers a wide selection of its own craft brews served in 20-ounce imperial pints at cellar
22 temperatures. The Magnolia Pub and Brewery is filled with dimly lit booths across large
23 windows in a classic late Nineteenth-Century building, providing an equally intimate and open
24 dining atmosphere for guests.

25
26 10. Over the last 18 years, Magnolia Brewing Company has developed an award-
27 winning portfolio of balanced and nuanced beers and established itself as one of San Francisco's
28

1 leading craft breweries. The Magnolia Pub and Brewery operates a 7-barrel brewing system used
2 to produce its smaller-batch specialty beers consumed primarily in its restaurants. The Brewery
3 adjacent to Smokestack is a 30-barrel modern production brewery used to produce its higher
4 volume craft beers that are sold both in its restaurants and in over 250 draft beer accounts in the
5 San Francisco Bay Area.

6
7 11. Both of the Debtor's locations are leased pursuant to unexpired commercial real
8 property leases and subject to multiple options to extend for years at a time.

9 12. With its popularity and business holding strong, based upon my review of the
10 Debtor's business records, historical operating performance and projected operating performance,
11 and taking into account the changes and cost reductions that I have implemented and will
12 continue to implement, I currently project that the Debtor will generate total annual revenue of
13 approximately \$7.5 million, with total annual operating expenses of approximately \$6.9, which
14 means I currently project the Debtor to generate total annual positive cash flow of approximately
15 \$600,000. To the extent events occur which alter my projections, I will submit an updated
16 declaration with the Court setting forth my revised projections.

17
18 13. I believe that the Debtor has secured debts of approximately \$1.7 million, as
19 discussed in greater detail below. I believe that the Debtor also has a total of approximately \$2.5
20 million of unsecured debt (comprised of a combination of primarily trade debt and note holders),
21 and I believe that the Debtor has a total of approximately \$1.05 million of outstanding tax debt
22 (inclusive of the debt owing to the California Employment Development Department described
23 below and before including interest and penalties). In total, I believe that the Debtor has
24 approximately [\$5.25] million of pre-petition debts.

25
26 14. I believe that the Debtor has a successful business now based on two busy
27 operating restaurant locations with an established business model, menu, and beer and cocktail
28

1 offering with an established reputation and clientele. As indicated above, I currently project that
2 with its current configuration and new management, the Debtor will generate approximately
3 \$600,000 of annual positive cash flow, which I believe will form the basis upon which the Debtor
4 will be able to successfully reorganize and emerge from chapter 11 pursuant to a confirmed plan
5 of reorganization (although the Debtor is keeping all options open, including, but not limited to,
6 the sale of the business as a going-concern).
7

8 **C. The Debtor's General Asset Base and Secured Debt Description**

9 15. The Debtor's assets are comprised mainly of its two restaurant and brewery
10 locations, including the two unexpired commercial real property leases, furniture, fixtures,
11 perishables, stores, goods, liquor, liquor licenses, intellectual property, and good will. Because
12 the customers' bills are paid immediately with cash or credit cards (with nearly 100% payment
13 rate), the Debtor does not have a meaningful "accounts receivable" ledger to consider an asset.
14 According to the Debtor's books and records, the Debtor is owed approximately \$600,000 from
15 Reprise, LLC, an entity with some (but not 100%) common ownership with the Debtor. The
16 figure is comprised of approximately \$300,000 used for the buildout of Reprise's restaurant, The
17 Alembic. Approximately \$200,000 is for reimbursement and management fees owed to the
18 Debtor for management. Approximately \$100,000 is an account receivable for beer supplied to
19 The Alembic. I understand that Reprise is insolvent. On behalf of the Debtor, I am currently
20 investigating the most appropriate action for the Debtor to take with respect to Reprise to
21 maximize the benefit to the Debtor's estate, including possibly negotiating a settlement and
22 repayment plan from Reprise. The payable owing from Reprise accrued before I became a
23 responsible party for the Debtor. If a resolution is reached between the Debtor and Reprise, the
24 Debtor will come before this Court and seek this Court's approval of such resolution before
25 implementing it. I do not have a direct role in Reprise LLC.
26
27
28

1 16. I understand that the Debtor has approximately \$1,310,000 of secured debt owing
2 to Union Bank preceding the merger and that debt owing to Union Bank appears to be secured by
3 substantially all of the Debtor's assets. I further understand that the Debtor has approximately
4 \$43,000 of secured debt owing to OBDC preceding the merger and that debt owing to OBDC
5 appears to be secured by substantially all of the Debtor's assets. I further understand that the
6 Debtor has approximately \$223,000-\$300,000 of secured debt owing to Fora Financial West,
7 which was debt that was previously owed by McLean preceding the merger, and that debt owing
8 to Fora Financial West appears to be secured by certain assets of the Debtor. These three
9 creditors comprise the Secured Creditors and what I currently believe to be the Debtor's valid and
10 perfected secured debt (though the Debtor reserves all rights to challenge the liens and debts
11 should it learn of anything that would merit such challenge).
12
13

14 17. I understand that the Debtor does not believe that it owes any money to
15 Yellowstone Capital West, which was debt that was previously owed by McLean preceding the
16 merger, despite the fact that the UCC-1 financing statement filed by Yellowstone Capital West
17 has not been terminated. I understand that the Debtor does not believe that it owes any money to
18 Cap Call, which was debt that was previously owed by McLean preceding the merger, despite the
19 fact that the UCC-1 financing statement filed by Cap Call has not been terminated. There are two
20 tax liens recorded by the California Employment Development Department, which I understand
21 are related to unpaid payroll taxes and related tax payment obligations, but I do not know how
22 much of the Debtor's unpaid taxes pertain to the recorded tax liens of the California Employment
23 Development Department. There are also two recorded liens filed by Corporation Services
24 Company, as Representative, but I do not know what secured debt, if any, those pertain to. A true
25 and correct copy of the UCC-1 financing statement and search results for the Debtor are attached
26
27
28

1 as Exhibit "1" to the concurrently filed declaration of John-Patrick M. Fritz, Esq. I have reviewed
2 the UCC-1 search and discussed it with the Debtor's bankruptcy counsel.

3 18. Additionally, the Debtor has two delivery trucks secured by loans from Ford
4 Credit and Lee Financial Services (collectively, the "Vehicle Creditors").

5 19. The cash generated by the Debtor's business appears to be the cash collateral of
6 the Secured Creditors.
7

8 **D. The Debtor's Need for Immediate Use of Cash Collateral**

9 20. The Debtor has no ability to continue to operate and preserve its business as a
10 going concern unless the Debtor has the ability to use its current cash and future revenue
11 generated by its business to pay its operating expenses, including payroll, utilities, insurance,
12 upkeep and maintenance, and rent. Accordingly, the Debtor must be able to use: (i) all of its cash
13 existing on the Petition Date plus (ii) the Debtor's post-petition revenue generated from the
14 operation of its business to pay the Debtor's post-petition operating expenses in accordance with
15 the Budget attached hereto as Exhibit "1" (the "Budget"). I prepared the Budget based upon my
16 analysis of the Debtor's books and records, the Debtor's historical operating performance, and the
17 Debtor's projected operating performance, after taking into account the changes and cost
18 reductions that I have implemented and will continue to implement.
19

20 21. The Budget contains the expenses that I believe must be paid in order for the
21 Debtor to operate and preserve the value of its business and to enable the Debtor to avoid
22 immediate and irreparable harm to its bankruptcy estate. In addition to those expenses set forth
23 in the Budget, the Debtor also seeks authority to use cash collateral to pay for the following: (a)
24 all quarterly fees owing to the Office of the United States Trustee and all expenses owing to the
25 Clerk of the Bankruptcy Court; and (b) all actual third-party, outside expenses incurred by the
26 Debtor (or its counsel and financial advisors) directly related to the administration of the Debtor's
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1 bankruptcy estate (for items such as photocopying, postage, searches, etc.), not to exceed the total
2 sum of \$5,000 per month. In addition, the Debtor seeks authority to deviate from the line items
3 contained in the Budget by not more than 15%, on both a line-item and aggregate basis.

4 22. Finally, because the Debtor is a purveyor of food and beverage, it is possible (and
5 hopeful) that the Debtor's actual business level and therefore revenue will be higher than
6 projected in the Budget, in which case the Debtor would need to spend proportionally more on
7 food and beverage to serve this increased volume. As with any restaurant, it is not possible for
8 the Debtor to project with exact certainty the level of business it will do over any period of time.
9 The Debtor can only provide a reasonable estimate based upon all known facts and circumstances.
10 As a result, to the extent the Debtor's actual business level and therefore revenue turn out to be
11 higher than projected in the Budget, the Debtor requests Court authority to increase the amount
12 of its variable cost items related to food and beverage on a proportional basis.
13

14 23. Although the Budget shows a slight decrease in cash position over its five-week
15 span, the decrease is due to a short seasonal decline in business in December and an upfront
16 payment for cost of goods in the amount of approximately \$8,000 to brew beer but which will last
17 into the extended future. I expect the Debtor to be cash flow positive after January 1, 2016 on
18 account of a seasonal increase in restaurant business and expansion of beer distribution.
19

20 24. Given the Debtor's historical and current operating performance and the fact that
21 the going-concern value of the Debtor's business would be decimated if the Debtor was forced to
22 shut down, I submit that the Secured Creditors are clearly adequately protected and substantially
23 benefited by the Debtor's continued operation of its business and use of cash collateral.
24

25 25. Based upon my knowledge of the Debtor's assets and this industry, I believe that
26 the Debtor's assets are valued at least \$3.0 million, while the Secured Creditors' claims total only
27
28

1 \$1.6 million. This translates to an equity cushion of over 90% in total and of much greater equity
2 cushions calculated on an individual creditor basis, as demonstrated in the table below:

Creditor	Debt	Equity Cushion	Percentage
Union Bank	\$1,310,000.00	\$1,690,000.00	129.01%
OBDC	\$43,000.00	\$1,647,000.00	3830.23%
Fora Financial	\$223,000.00	\$1,424,000.00	638.57%
Total	\$1,576,000.00	\$1,424,000.00	90.36%
Asset Base	\$3,000,000.00 +		

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9 26. The equity cushions more than adequately protect each of the Secured Creditors
10 for the Debtor's use of cash collateral. Nonetheless, in order to provide the Secured Creditors
11 with adequate protection against any potential post-petition decline in the value of collateral, the
12 Debtor proposes to make monthly interest-only payments to the Secured Creditors, as set forth in
13 the Budget. Additionally, the Debtor proposes to pay the Vehicle Creditors regular monthly
14 payments on the vehicle loans in the regular course. Finally, to the extent that these measures do
15 not protect the Secured Creditors against any post-petition diminution in the value of its collateral,
16 they will receive super-priority administrative claims under the Bankruptcy Code, which provides
17 them with yet another form of adequate protection.
18

19 27. The Debtor must be able to pay expenses in accordance with the Budget and the
20 other manners described above pending a final hearing in order to avoid immediate and
21 irreparable harm to the Debtor's business and this bankruptcy estate.
22

23 **E. The Necessity To Pay Pre-Petition Priority Wages And Honor Pre-Petition**
24 **Accrued Vacation And Other Leave Benefits**

25 28. In order to preserve the value of the Debtor's business as a going-concern and
26 retain its employees, the Debtor requests Court authority to pay the Wages and honor its pre-
27 petition accrued vacation and leave benefits in the ordinary course of the Debtor's business,
28

1 provided that no employee shall receive in value over \$12,475 on account of the foregoing pre-
2 petition claims. The Debtor also seeks Court authority to pay all employee withholdings and
3 employee payroll taxes related to the Wages.

4 29. The Debtor typically pays its respective employees' Wages every other Friday
5 (funded the day before through its outside payroll service company, Payroll Resource Group) by
6 check. The Debtor's last payroll was paid by checks to employees on Friday, November 20,
7 2015, and covers the work period of November 2 through 15, 2015, all of which is prepetition.
8 The total amount of that payroll is approximately \$109,149.90 for approximately 92 employees.
9 A true and correct copy of the payroll, with social security numbers and names redacted for
10 privacy, is attached hereto as Exhibit "2" (the Debtor will make a non-redacted copy available for
11 the United States Trustee and the Court upon request). Most of that payroll has cleared, but there
12 may be some checks from that period that have not yet been cashed (approximately \$7,750 as of
13 the Petition Date). To the extent checks have not been cashed or cleared, the Debtor requests
14 Court authority to honor such payments post-petition.

15 30. The next payroll will be funded on December 3, 2015, with checks distributed on
16 December 4, 2015, covering the work period of November 16 through 29, 2015, all of which
17 constitutes pre-petition payroll. The approximate amount of the payroll is \$110,000 for
18 approximately 92 employees in amounts similar to those amounts in Exhibit "2". The Debtor
19 requests Court authority to pay this pre-petition payroll.

20 31. Additionally, the Debtor's employees have accrued pre-petition vacation and leave
21 benefits, which the Debtor requests authorization to continue to honor in the ordinary course of
22 the Debtor's business. No employee will receive in value over \$12,475 on account of their
23 collective pre-petition claims for Wages and vacation and leave benefits.

1 32. Thus, by its Payroll Motion, the Debtor seeks authority to (i) pay and/or honor all
2 pre-petition Wages of its employees (including any Wages which are unpaid as a result of a pre-
3 petition payroll check being returned for insufficient funds which may be caused by a freeze on
4 the Debtor's pre-petition bank accounts or a conversion to debtor in possession accounts); and (ii)
5 honor accrued pre-petition vacation and leave benefits in the ordinary course of business,
6 provided that no employee shall receive in value over \$12,475 on account of pre-petition claims
7 for Wages and pre-petition vacation and leave benefits.
8

9 33. The source of the funds to be used to pay and/or honor the pre-petition Wages and
10 accrued vacation and leave benefits of the employees will be the Debtor's cash on hand and cash
11 collateral, in accordance with the Budget pending Court approval pursuant to the separately and
12 concurrently filed Cash Collateral Motion.
13

14 34. The Debtor's two restaurants are modern American gastro-pubs serving menu
15 items that are high quality, fresh, locally sourced and sustainable, as well as a full line of beers
16 from its own brewery and a full bar with signature cocktails and one of the best selection of fine
17 and rare bourbons and rye whiskies in San Francisco. In the highly competitive and cutting-edge
18 restaurant business in San Francisco, it is necessary for the Debtor to maintain its highly
19 competent, capable, and knowledgeable staff, including cooks, bartenders, and servers who know
20 the food and drink menus and recipes and can deliver high quality service. In order to keep its
21 staff, the Debtor must be able to pay employee wages and honor accrued vacation and leave
22 benefits in the ordinary course of business, or the staff will almost certainly leave and find
23 employment elsewhere. In the modern era of social media online reviews, such as Yelp, if the
24 Debtor's knowledgeable and capable staff leaves and the Debtor is forced to hire new cooks,
25 bartenders, and servers who are not familiar with or capable of skillfully preparing and serving
26 the food and drink items, then customers will become dissatisfied, not return themselves, and post
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unflattering and harmful reviews that will cause others to go elsewhere. The Debtor has many signature dishes and cocktails. For example, the brisket is a highly praised signature item at one of the Debtor's restaurants, the Smokestack, and it is crucial that it be prepared the right way, starting with the high quality ingredients from the farmhouse to the skills of the chef in the kitchen and all the way to the table. If the quality of the Debtor's food and drink specialties fall to the level of mediocre fare available anywhere, then the Debtor will surely lose customers, and the business and going-concern value will suffer. Therefore, it is highly important that the Debtor be able to pay the Wages and honor accrued vacation and leave benefits in order to keep its employees.

F. Representations Regarding Wages

35. The Debtor makes the following disclosures in connection with its Payroll Motion:

36. The employees are still employed by Debtor. The Wages and vacation and leave benefits the Debtor proposes to pay are for employees that the Debtor still employs and will continue to employ at this time.

37. The proposed payments to the employees are absolutely necessary. It is crucial for the Debtor to retain its employees to preserve the going-concern value of its business in the highly competitive San Francisco restaurant business. Furthermore, it is crucial that the Debtor retain its management and office employees during this critical beginning phase of the Debtor's bankruptcy case, where additional administrative and other obligations are imposed upon the Debtor, and when the Debtor will require the efforts of its employees to, among other things, maintain the value of the Debtor's assets, assist the Debtor with the Debtor's business operations, assist the Debtor with the Debtor's chapter 11 bankruptcy obligations, serve as resources to the Debtor's bankruptcy counsel, and otherwise fulfill their respective job responsibilities during the Debtor's bankruptcy case.

1 38. If the Debtor does not continue to pay its employees their ordinary and earned
2 Wages and continue to honor employee benefits, the employees may (and likely would) quit, and
3 the Debtor's business will suffer as new employees will have to learn the specialty food and drink
4 recipes, which, even when learned, may not come out the same, causing the Debtor to lose
5 existing and future clientele. Without the employees, the Debtor's value may (and likely would)
6 be irreparably and significantly negatively impacted. Moreover, the Debtor seeks the ability to be
7 able to represent to its employees as soon as possible that the Bankruptcy Court has approved this
8 Motion (or, alternatively, if the Bankruptcy Court has denied this Motion, to immediately advise
9 their employees of such facts so that employees are aware of such facts and do not later claim that
10 the Debtor misrepresented or withheld facts from its employees). Based on the foregoing, the
11 Debtor respectfully submits that the relief requested in this Motion is urgent and necessary to
12 avoid immediate and irreparable harm.
13
14

15 39. The proposed payment procedures are beneficial to the Debtor. The Debtor seeks
16 to honor the Wages and other benefits which would constitute priority claims under the
17 Bankruptcy Code. Such claims would otherwise be required to be paid in full under any
18 confirmed plan of reorganization. However, if the Debtor does not honor such Wages and
19 benefits now, the Debtor runs a serious risk of losing talented, valuable employees. The loss of
20 employees would be severely detrimental to the Debtor's business.
21

22 40. No Insiders are being Paid Pursuant to this Motion. None of the Wages constitutes
23 the Wages of any insiders of the Debtor.

24 41. The employees' pre-petition claims sought to be honored by this Motion are within
25 the limits established by Section 507 of the Bankruptcy Code. The Debtor only seeks authority to
26 (i) pay and/or honor all pre-petition Wages of the employees and related payroll taxes; and (ii)
27 honor accrued vacation and leave benefits in the ordinary course of business, provided that no
28

1 (i) pay and/or honor all pre-petition Wages of the employees and related payroll taxes; and (ii)
2 honor accrued vacation and leave benefits in the ordinary course of business, provided that no
3 employee shall receive in value over \$12,475 on account of pre-petition claims for Wages and
4 vacation and leave benefits.

5
6 42. The proposed payments will not render the Debtor's estate administratively
7 insolvent. I believe that the Debtor's cash on hand and projected cash flow in the Budget is
8 sufficient to pay the Wages without rendering the Debtor's estate administratively insolvent. The
9 Debtor is current with its payroll obligations, and is seeking Court approval to pay the Wages
10 solely due to the timing of its bankruptcy filing as compared to the Debtor's payroll schedule.

11
12 43. Based on the foregoing, I respectfully submit that the relief requested in the Cash
13 Collateral Motion and the Payroll Motion is both appropriate and necessary to avoid immediate
14 and irreparable harm.

15 I declare and verify under penalty of perjury that the foregoing is true and correct to the
16 best of my knowledge, information and belief.

17 Executed on this 30th day of November, 2015, at San Francisco, California.

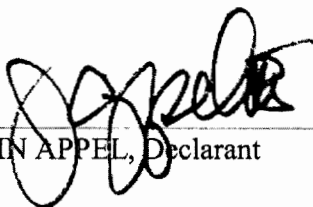
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20 
JOHN APPEL, Declarant

Exhibit 1

Magnolia Brewing Company, LLC
Five Week Cash Flow Budget

	Wk Ending 12/6/15	Wk Ending 12/13/15	Wk Ending 12/20/15	Wk Ending 12/27/15	Wk Ending 1/3/16
Restaurant Cash Collections	89,396	120,336	121,978	114,349	107,159
Brewery Collections	1,383	1,768	1,200	10,000	2,000
Total Cash Collections	90,780	122,103	123,178	124,349	109,159
Cash Disbursed:					
Restaurant COGS vendors	23,655	26,196	25,873	21,178	25,419
Brewery COGS Vendors	617	5,400	1,500	1,800	8,117
 Payroll and Payroll Taxes	 61,717	 47,695	 58,631	 45,310	 57,308
 Restaurant Operating Expenses	 100	 2,673	 1,989	 1,614	 1,114
Brewery Operating Expenses	1,200	0	11,300	0	3,110
 Corporate Admin Expenses	 13,496	 41,153	 26,380	 14,125	 12,250
Insurance	0	9,678	23,000	0	0
Utilities	0	12,100	1,625	14,125	7,250
Rent	13,496	16,800	0	0	0
Legal	0	0	0	0	5,000
Other	0	2,575	1,755	0	0
 Sales tax payments	0	0	0	41,215	0
BOE payment plan	0	0	0	0	0
 Cash Flow From Operations	 10,005	 1,014	 2,495	 894	 1,840
 Payments on Secured Debt	 3,417	 0	 614	 0	 2,875
Union Bank loans (interest)	2,600	0	0	0	2,600
OBDC (interest)	275	0	0	0	275
Fora	0	0	0	0	0
Car loans (Ford & Lee)	542	0	614	0	0
Total Disbursed	104,202	123,117	126,287	125,243	110,194
 Change in cash	 -13,422	 -1,014	 -3,109	 -894	 -1,035
Ending cash	36,140	22,718	18,595	17,701	16,666

Exhibit 2

Location: (01) Brewery Department: (64010) Brewery - Salaried

Emp Id 96	REG	Earning	Hours	Rate	Amount	Code	Tax	Status	Taxable	Amount	Code	Deduction	Amount	Type	Reg
Salary 1807.70	REG	Regular Pay	80.00		1807.70	CA	California SITW	M-0	1717.70	31.18	MED	Medical Premiur	90.00	Chk Date	11/20/2015
						CASDI-E	CA SDI - Employ		1717.70	15.46				Batch	B
						FITW	Federal Income T	M-0	1717.70	172.56				Net	1367.09
						MED	Medicare		1717.70	24.91				Dir Dep	0.00
						SS	OASDI		1717.70	106.50				Chk Amt	1367.09
		Total Earnings	80.00		1807.70	Total Taxes				350.61	Total Deductions		90.00	Chk/Vcr #	4991
Emp Id 62	REG	Earning	Hours	Rate	Amount	Code	Tax	Status	Taxable	Amount	Code	Deduction	Amount	Type	Reg
Salary 1346.16	REG	Regular Pay	80.00		1346.16	CA	California SITW	S-1	1329.54	29.69	MED	Medical Premiur	16.62	Chk Date	11/20/2015
						CASDI-E	CA SDI - Employ		1329.54	11.97				Batch	B
						FITW	Federal Income T	S-1	1329.54	145.34				Net	1040.83
						MED	Medicare		1329.54	19.28				Dir Dep	0.00
						SS	OASDI		1329.54	82.43				Chk Amt	1040.83
		Total Earnings	80.00		1346.16	Total Taxes				288.71	Total Deductions		16.62	Chk/Vcr #	4992
Emp Id 93	REG	Earning	Hours	Rate	Amount	Code	Tax	Status	Taxable	Amount	Code	Deduction	Amount	Type	Reg
Salary 2692.31	REG	Regular Pay	80.00		2692.31	CA	California SITW	S-1	2692.31	149.75				Chk Date	11/20/2015
						CASDI-E	CA SDI - Employ		2692.31	24.23				Batch	B
						FITW	Federal Income T	S-1	2692.31	450.72				Net	1861.66
						MED	Medicare		2692.31	39.03				Dir Dep	0.00
						SS	OASDI		2692.31	166.92				Chk Amt	1861.66
		Total Earnings	80.00		2692.31	Total Taxes				830.65	Total Deductions		0.00	Chk/Vcr #	4993
Emp Id 94	REG	Earning	Hours	Rate	Amount	Code	Tax	Status	Taxable	Amount	Code	Deduction	Amount	Type	Reg
Salary 3076.93	REG	Regular Pay	80.00		3076.93	CA	California SITW	S-0	3076.93	193.67				Chk Date	11/20/2015
						CASDI-E	CA SDI - Employ		3076.93	27.70				Batch	B
						FITW	Federal Income T	S-0	3076.93	585.34				Net	2034.84
						MED	Medicare		3076.93	44.61				Dir Dep	0.00
						SS	OASDI		3076.93	190.77				Chk Amt	2034.84
		Total Earnings	80.00		3076.93	Total Taxes				1042.09	Total Deductions		0.00	Chk/Vcr #	4994

Location: (01) Brewery Department: (64010) Brewery - Salaried Total

Employees	4	Code	REG	Earning	Hours	Rate	Amount	Code	Tax	Status	Taxable	Amount	Code	Deduction	Amount	Checks	4
Female	0	REG	Regular Pay	320.00			8923.10	CA	California SITW		8816.48	404.29	MED	Medical Premiur	106.62	Vouchers	0
Male	4							CASDI-E	CA SDI - Employ		8816.48	79.36				Net	6304.42
Chk & Vchrs	4	Code	FITW	Federal Income T				FITW	Federal Income T		8816.48	1353.96				Dir Dep	0.00
Female	0							MED	Medicare		8816.48	127.83				Chk Amt	6304.42
Male	4							SS	OASDI		8816.48	546.62					
		Total Earnings	320.00				8923.10	Total Taxes				2512.06	Total Deductions		106.62		

Location: (02) Haight Department: (60070) Corporate Total											
Emp Id	Code	Earning	Hours	Rate	Amount	Code	Tax	Taxable	Amount	Deduction	Amount
Female	2 REG	Regular Pay	320.00		15281.76	CA	California SITW	15281.76	856.93		
Male	2					CASDI-E	CA SDI - Employ	10192.32	91.73		
Chk & Vchrs	4					FITW	Federal Income T	15281.76	2506.62		
Female	2					MED	Medicare	15281.76	221.59		
Male	2					SS	OASDI	11635.20	721.37		
Total Earnings					320.00	Total Taxes		15281.76		Total Deductions	
										4398.24	
										0.00	

Location: (02) Haight Department: (63010) Kitchen - Salaried											
Emp Id	Code	Earning	Hours	Rate	Amount	Code	Tax	Taxable	Amount	Deduction	Amount
33	REG	Regular Pay	80.00		2038.46	CA	California SITW	2038.46	24.83		
Salary 2038.46						CASDI-E	CA SDI - Employ	2038.46	18.35		
						FITW	Federal Income T	2038.46	151.44		
						MED	Medicare	2038.46	29.55		
						SS	OASDI	2038.46	126.39		
Total Earnings					80.00	Total Taxes		2038.46		Total Deductions	
										350.56	
										0.00	

Location: (02) Haight Department: (63010) Kitchen - Salaried Total											
Emp Id	Code	Earning	Hours	Rate	Amount	Code	Tax	Taxable	Amount	Deduction	Amount
Female	0 REG	Regular Pay	80.00		2038.46	CA	California SITW	2038.46	24.83		
Male	1					CASDI-E	CA SDI - Employ	2038.46	18.35		
Chk & Vchrs	1					FITW	Federal Income T	2038.46	151.44		
Female	0					MED	Medicare	2038.46	29.55		
Male	1					SS	OASDI	2038.46	126.39		
Total Earnings					80.00	Total Taxes		2038.46		Total Deductions	
										350.56	
										0.00	

Location: (02) Haight Department: (63015) Kitchen - Hourly											
Emp Id	Code	Earning	Hours	Rate	Amount	Code	Tax	Taxable	Amount	Deduction	Amount
159	OT	Overtime Pay	0.09	18.3750	1.65	CA	California SITW	818.11			
Rate 12.2500	REG	Regular Pay	66.65	12.2500	816.46	CASDI-E	CA SDI - Employ	818.11	7.36		
						FITW	Federal Income T	818.11	26.81		
						MED	Medicare	818.11	11.86		
						SS	OASDI	818.11	50.72		
Total Earnings					66.74	Total Taxes		818.11		Total Deductions	
										96.75	
										0.00	

Location: (02) Haight Department: (63015) Kitchen - Hourly											
Emp Id	Code	Earning	Hours	Rate	Amount	Code	Tax	Taxable	Amount	Deduction	Amount
196	REG	Regular Pay	55.87	12.2500	684.41	CA	California SITW	849.79	7.47		
Rate 12.2500	RETRO	Retroactive Pay	13.50	12.2500	165.38	CASDI-E	CA SDI - Employ	849.79	7.65		
						FITW	Federal Income T	849.79	73.38		
						MED	Medicare	849.79	12.32		
						SS	OASDI	849.79	52.69		
Total Earnings					69.37	Total Taxes		849.79		Total Deductions	
										153.51	
										0.00	

Emp Id 6	Rate 14.0000	Code	Earning	Hours	Rate	Amount	Code	Tax	Status	Taxable	Amount	Code	Deduction	Amount	Type	Reg	
		DOUBL	Double Time	10.47	28.0000	293.16	CA	California SITW	S-0	2036.02	88.24	CA	2036.02	88.24	Chk Date	11/20/2015	
		OT	Overtime Pay	29.66	21.0000	622.86	CASDI-E	CA SDI - Employ		2036.02	18.32	CASDI-E	2036.02	18.32	Batch	B	
		REG	Regular Pay	80.00	14.0000	1120.00	FITW	Federal Income T	S-4	2036.02	182.09	FITW	2036.02	182.09	Net	1591.61	
							MED	Medicare		2036.02	29.52	MED	2036.02	29.52	Dir Dep	0.00	
							SS	OASDI		2036.02	126.24	SS	2036.02	126.24	Chk Amt	1591.61	
		Total Earnings			120.13	Total Taxes					444.41	Total Deductions			0.00	Chk/Vcr #	5001
Emp Id 195	Rate 15.0000	Code	Earning	Hours	Rate	Amount	Code	Tax	Status	Taxable	Amount	Code	Deduction	Amount	Type	Reg	
		OT	Overtime Pay	2.63	22.5000	59.18	CA	California SITW	S-2	884.33	4.19	CA	884.33	4.19	Chk Date	11/20/2015	
		REG	Regular Pay	55.01	15.0000	825.15	CASDI-E	CA SDI - Employ		884.33	7.96	CASDI-E	884.33	7.96	Batch	B	
							FITW	Federal Income T	S-2	884.33	55.49	FITW	884.33	55.49	Net	749.04	
							MED	Medicare		884.33	12.82	MED	884.33	12.82	Dir Dep	0.00	
							SS	OASDI		884.33	54.83	SS	884.33	54.83	Chk Amt	749.04	
		Total Earnings			57.64	Total Taxes					135.29	Total Deductions			0.00	Chk/Vcr #	5004
Emp Id 14	Rate 15.5000	Code	Earning	Hours	Rate	Amount	Code	Tax	Status	Taxable	Amount	Code	Deduction	Amount	Type	Reg	
		REG	Regular Pay	73.92	15.5000	1145.76	CA	California SITW	M-6	1145.76	10.31	CA	1145.76	10.31	Chk Date	11/20/2015	
							CASDI-E	CA SDI - Employ		1145.76		CASDI-E	1145.76		Batch	B	
							FITW	Federal Income T	M-6	1145.76		FITW	1145.76		Net	1047.80	
							MED	Medicare		1145.76	16.62	MED	1145.76	16.62	Dir Dep	0.00	
							SS	OASDI		1145.76	71.03	SS	1145.76	71.03	Chk Amt	1047.80	
		Total Earnings			73.92	Total Taxes					97.96	Total Deductions			0.00	Chk/Vcr #	5006
Emp Id 197	Rate 15.0000	Code	Earning	Hours	Rate	Amount	Code	Tax	Status	Taxable	Amount	Code	Deduction	Amount	Type	Reg	
		OT	Overtime Pay	1.37	22.5000	30.83	CA	California SITW	S-1	738.38	5.02	CA	738.38	5.02	Chk Date	11/20/2015	
		REG	Regular Pay	47.17	15.0000	707.55	CASDI-E	CA SDI - Employ		738.38	6.65	CASDI-E	738.38	6.65	Batch	B	
							FITW	Federal Income T	S-1	738.38	56.67	FITW	738.38	56.67	Net	613.55	
							MED	Medicare		738.38	10.71	MED	738.38	10.71	Dir Dep	0.00	
							SS	OASDI		738.38	45.78	SS	738.38	45.78	Chk Amt	613.55	
		Total Earnings			48.54	Total Taxes					124.83	Total Deductions			0.00	Chk/Vcr #	5009
Emp Id 18	Rate 16.0000	Code	Earning	Hours	Rate	Amount	Code	Tax	Status	Taxable	Amount	Code	Deduction	Amount	Type	Reg	
		REG	Regular Pay	7.57	16.0000	121.12	CA	California SITW	S-1	121.12	1.09	CA	121.12	1.09	Chk Date	11/20/2015	
							CASDI-E	CA SDI - Employ		121.12		CASDI-E	121.12		Batch	B	
							FITW	Federal Income T	S-1	121.12	1.76	FITW	121.12	1.76	Net	110.76	
							MED	Medicare		121.12	7.51	MED	121.12	7.51	Dir Dep	0.00	
							SS	OASDI		121.12		SS	121.12		Chk Amt	110.76	
		Total Earnings			7.57	Total Taxes					10.36	Total Deductions			0.00	Chk/Vcr #	5010
Emp Id 183	Rate 17.0000	Code	Earning	Hours	Rate	Amount	Code	Tax	Status	Taxable	Amount	Code	Deduction	Amount	Type	Reg	
		DOUBL	Double Time	0.15	34.0000	5.10	CA	California SITW	S-1	909.33	9.86	CA	909.33	9.86	Chk Date	11/20/2015	
		OT	Overtime Pay	4.00	25.5000	102.00	CASDI-E	CA SDI - Employ		909.33	8.19	CASDI-E	909.33	8.19	Batch	B	
		REG	Regular Pay	47.19	17.0000	802.23	FITW	Federal Income T	S-1	909.33	82.31	FITW	909.33	82.31	Net	739.40	
							MED	Medicare		909.33	13.19	MED	909.33	13.19	Dir Dep	0.00	
							SS	OASDI		909.33	56.38	SS	909.33	56.38	Chk Amt	739.40	
		Total Earnings			51.34	Total Taxes					169.93	Total Deductions			0.00	Chk/Vcr #	5012

Code	Earning	Hours	Rate	Amount	Code	Tax	Status	Taxable	Amount	Code	Deduction	Amount	Type	Reg
REG	Regular Pay	28.35	12.5000	354.38	CA	California SITW	S-2	354.38	3.19	CASDI-E			Chk Date	11/20/2015
REG	Overtime Pay	2.80	28.5000	79.80	CA	California SITW	S-4	1384.47	19.61	CASDI-E			Batch	B
REG	Double Time	5.21	21.3750	111.36	CASDI-E	CA SDI - Employ		1384.47	12.46	FITW			Net	324.08
REG	Regular Pay	63.25	14.2500	901.31	FITW	Federal Income T	S-2	1384.47	84.35	MED			Dir Dep	0.00
REG	Regular Pay	14.60	20.0000	292.00	MED	Medicare		1384.47	20.08	SS			Chk Amt	324.08
					SS	OASDI		1384.47	85.84				Chk/Vcr #	5014
Total Earnings		85.86		1384.47	Total Taxes				222.34					
Code	Earning	Hours	Rate	Amount	Code	Tax	Status	Taxable	Amount	Code	Deduction	Amount	Type	Reg
REG	Regular Pay	64.39	14.0000	901.46	CA	California SITW	S-1	901.46	9.52	CASDI-E			Chk Date	11/20/2015
REG	Overtime Pay	44.25	14.0000	619.50	CASDI-E	CA SDI - Employ		901.46	8.11	FITW			Batch	B
REG	Regular Pay	44.25	14.0000	619.50	FITW	Federal Income T	S-1	901.46	81.13	MED			Net	733.74
REG	Regular Pay	44.25	14.0000	619.50	MED	Medicare		901.46	13.07	SS			Dir Dep	0.00
					SS	OASDI		901.46	55.89				Chk Amt	733.74
Total Earnings		64.39		901.46	Total Taxes				167.72				Chk/Vcr #	5035
Code	Earning	Hours	Rate	Amount	Code	Tax	Status	Taxable	Amount	Code	Deduction	Amount	Type	Reg
REG	Regular Pay	44.25	14.0000	619.50	CA	California SITW	M-3	619.50	5.58	CASDI-E			Chk Date	11/20/2015
REG	Overtime Pay	44.25	14.0000	619.50	CASDI-E	CA SDI - Employ		619.50	5.58	FITW			Batch	B
REG	Regular Pay	44.25	14.0000	619.50	FITW	Federal Income T	M-3	619.50	8.98	MED			Net	566.53
					MED	Medicare		619.50	8.98	SS			Dir Dep	0.00
					SS	OASDI		619.50	38.41				Chk Amt	566.53
Total Earnings		44.25		619.50	Total Taxes				52.97				Chk/Vcr #	5036

Code	Earning	Hours	Rate	Amount	Code	Tax	Status	Taxable	Amount	Code	Deduction	Amount	Type	Reg
DOUBL	Double Time	6.50	44.0000	286.00	CA	California SITW	S-1	2659.91	146.44				Chk Date	11/20/2015
OT	Overtime Pay	18.69	33.0000	616.77	CASDI-E	CA SDI - Employ		2659.91	23.94				Batch	B
REG	Regular Pay	79.87	22.0000	1757.14	FITW	Federal Income T	S-1	2659.91	442.62				Net	1843.42
					MED	Medicare		2659.91	38.57				Dir Dep	0.00
					SS	OASDI		2659.91	164.92				Chk Amt	1843.42
Total Earnings		105.06		2659.91	Total Taxes				816.49	Total Deductions		0.00	Chk/Vcr #	5039

Location: (02) Haight Department: (63015) Kitchen - Hourly Total

Code	Earning	Hours	Rate	Amount	Code	Tax	Status	Taxable	Amount	Code	Deduction	Amount	Checks	Reg
DOUBL	Double Time	19.92		664.06	CA	California SITW		15044.09	300.30				Vouchers	15
OT	Overtime Pay	64.25		1599.25	CASDI-E	CA SDI - Employ		15044.09	135.41				Net	12297.50
REG	Regular Pay	846.20		12615.40	FITW	Federal Income T		15044.09	1159.98				Dir Dep	0.00
RETRO	Retroactive Pay	13.50		165.38	MED	Medicare		15044.09	218.15				Chk Amt	12297.50
					SS	OASDI		15044.09	932.75					
Total Earnings		943.87		15044.09	Total Taxes				2746.59	Total Deductions		0.00		

Location: (02) Haight Department: (63025) Wait Staff

Code	Earning	Hours	Rate	Amount	Code	Tax	Status	Taxable	Amount	Code	Deduction	Amount	Type	Reg
DTIPS	Declared Tips	62.20	12.2500	761.95	CA	California SITW	S-0	1888.34	75.25	DTIPS	Declared Tips	1143.00	Chk Date	11/20/2015
REG	Regular Pay	24.25	12.2500	297.06	CASDI-E	CA SDI - Employ		1888.34	16.99	MED	Medical Premium	16.61	Batch	B
					FITW	Federal Income T	S-1	1888.34	249.73				Net	258.92
					MED	Medicare		1888.34	27.38				Dir Dep	0.00
					SS	OASDI		1888.34	117.07				Chk Amt	258.92
Total Earnings		62.20		1904.95	Total Taxes				486.42	Total Deductions		1159.61	Chk/Vcr #	4995

Code	Earning	Hours	Rate	Amount	Code	Tax	Status	Taxable	Amount	Code	Deduction	Amount	Type	Reg
DTIPS	Declared Tips	24.25	12.2500	297.06	CA	California SITW	S-2	439.58	3.96	DTIPS	Declared Tips	364.15	Chk Date	11/20/2015
REG	Regular Pay	70.02	12.2500	857.75	CASDI-E	CA SDI - Employ		439.58	4.34	MED	Medical Premium	221.63	Batch	B
					FITW	Federal Income T	S-2	439.58	6.38				Net	33.50
					MED	Medicare		439.58	27.25				Dir Dep	0.00
					SS	OASDI		439.58	117.07				Chk Amt	33.50
Total Earnings		24.25		661.21	Total Taxes				41.93	Total Deductions		585.78	Chk/Vcr #	4999

Code	Earning	Hours	Rate	Amount	Code	Tax	Status	Taxable	Amount	Code	Deduction	Amount	Type	Reg
DTIPS	Declared Tips	0.32	18.3750	5.88	CA	California SITW	S-1	2172.01	96.53	DTIPS	Declared Tips	1325.00	Chk Date	11/20/2015
REG	Regular Pay	70.02	12.2500	857.75	CASDI-E	CA SDI - Employ		2172.01	19.55	MED	Medical Premium	16.62	Batch	B
					FITW	Federal Income T	S-1	2172.01	320.65				Net	244.12
					MED	Medicare		2172.01	31.50				Dir Dep	0.00
					SS	OASDI		2172.01	134.66				Chk Amt	244.12
Total Earnings		70.34		2188.63	Total Taxes				602.89	Total Deductions		1341.62	Chk/Vcr #	5008

Code	Earning	Hours	Rate	Amount	Code	Tax	Status	Taxable	Amount	Code	Deduction	Amount	Type	Reg
DTIPS	Declared Tips			968.00	CA	California SITW	S-2	1655.93	46.66	DTIPS	Declared Tips	968.00	Chk Date	11/20/2015
REG	Regular Pay	33.27	12.2500	407.56	CASDI-E	CA SDI - Employ		1655.93	14.90	MED	Medical Premium	60.79	Batch	B
REG	Regular Pay	27.85	12.2500	341.16	FITW	Federal Income T	S-2	1655.93	171.23				Net	328.46
					MED	Medicare		1655.93	24.01				Dir Dep	0.00
					SS	OASDI		1655.93	102.67				Chk Amt	328.46
Total Earnings				1716.72	Total Taxes				359.47	Total Deductions				5011
DTIPS	Declared Tips			1205.00	CA	California SITW	S-2	1900.90	67.21	DTIPS	Declared Tips	1205.00	Chk Date	11/20/2015
REG	Regular Pay	61.97	12.2500	759.13	CASDI-E	CA SDI - Employ		1900.90	17.10	MED	Medical Premium	63.23	Batch	B
					FITW	Federal Income T	S-2	1900.90	214.41				Net	251.75
					MED	Medicare		1900.90	27.57				Dir Dep	0.00
					SS	OASDI		1900.90	117.86				Chk Amt	251.75
Total Earnings				1964.13	Total Taxes				444.15	Total Deductions				5026
DTIPS	Declared Tips			1319.00	CA	California SITW	S-3	2019.02	73.04	DTIPS	Declared Tips	1319.00	Chk Date	11/20/2015
REG	Regular Pay	26.32	12.2500	322.42	CASDI-E	CA SDI - Employ		2019.02	18.17	MED	Medical Premium	113.63	Batch	B
REG	Regular Pay	40.10	12.2500	491.23	FITW	Federal Income T	S-3	2019.02	205.48				Net	248.88
					MED	Medicare		2019.02	29.27				Dir Dep	0.00
					SS	OASDI		2019.02	125.18				Chk Amt	248.88
Total Earnings				2132.65	Total Taxes				451.14	Total Deductions				5029
DTIPS	Declared Tips			238.00	CA	California SITW	S-1	448.19	4.04	DTIPS	Declared Tips	238.00	Chk Date	11/20/2015
REG	Regular Pay	19.05	12.2500	233.36	CASDI-E	CA SDI - Employ		448.19	20.59	MED	Medical Premium	23.17	Batch	B
					FITW	Federal Income T	S-1	448.19	6.50				Net	151.27
					MED	Medicare		448.19	27.79				Dir Dep	0.00
					SS	OASDI		448.19					Chk Amt	151.27
Total Earnings				471.36	Total Taxes				58.92	Total Deductions				5033
DTIPS	Declared Tips			1253.00	CA	California SITW	S-2	1921.48	69.03	DTIPS	Declared Tips	1253.00	Chk Date	11/20/2015
OT	Overtime Pay	0.22	18.3750	4.04	CASDI-E	CA SDI - Employ		1921.48	17.29				Batch	B
REG	Regular Pay	20.47	12.2500	250.76	FITW	Federal Income T	S-2	1921.48	219.55				Net	215.61
REG	Regular Pay	33.77	12.2500	413.68	MED	Medicare		1921.48	27.86				Dir Dep	0.00
					SS	OASDI		1921.48	119.14				Chk Amt	215.61
Total Earnings				1921.48	Total Taxes				452.87	Total Deductions				5038

Page

9

Payroll Resource Group-San Francisco
 Payroll status and exemptions display current data, not data at the time of the payroll.
 Expires 6/19/2013 5:05 PM

Magnolia Brewing Company, LLC

Company (MBC)

Check Date: 11/20/2015
Process: 2015112001
Period: 11/02/2015 to 11/15/2015

Page 10

Strum, Corey	Code	Earning	Hours	Rate	Amount	Code	Tax	Status	Taxable	Amount	Code	Deduction	Amount	Type	Reg
Connelly 157 12.2500	DTIPS	Declared Tips			1089.00	CA	California SITW	S-0	1729.43	61.26	DTIPS	Declared Tips	1089.00	Chk Date	11/20/2015
	REG	Regular Pay	52.28	12.2500	640.43	CASDI-E	CA SDI - Employ		1729.43	15.56				Batch	B
						FITW	Federal Income T	S-0	1729.43	248.46				Net	182.84
						MED	Medicare		1729.43	25.08				Dir Dep	0.00
						SS	OASDI		1729.43	107.23				Chk Amt	182.84
Total Earnings			52.28		1729.43	Total Taxes				457.59	Total Deductions		1089.00		5032

Location: (02) Haight	Department: (63035) Support Staff Total
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Employees	11	Code	Earning	Hours	Rate	Amount	Code	Tax	Taxable	Amount	Deduction	Amount	Checks	11
Female	6	DTIPS	Declared Tips			7604.18	CA	California SITW	13681.39	312.55	Declared Tips	7604.18	Vouchers	0
Male	5	OT	Overtime Pay	0.25		4.59	CASDI-E	CA SDI - Employ	13681.39	123.14	Medical Premium	39.79	Net	3205.05
Chks & Vchrs	11	REG	Regular Pay	481.55		5916.41	FIW	Federal Income T	13681.39	1389.83			Dir Dep	0.00
Female	6	SICK	Sick Pay	16.00		196.00	MED	Medicare	13681.39	198.39			Chk Amt	3205.05
Male	5						SS	OASDI	13681.39	848.25				
			Total Earnings	497.80		13721.18	Total Taxes			2872.16	Total Deductions	7643.97		

Location: (02) Haight

Code	Earning	Hours	Rate	Amount	Code	Tax	Status	Taxable	Amount	Code	Deduction	Amount	Type	Reg
DTIPS	Declared Tips			393.00	CA	California SITW	S-0	1321.38	33.72	DTIPS	Declared Tips	393.00	Chk Date	11/20/2015
OT	Overtime Pay	2.57	22.5000	57.83	CASDI-E	CA SDI - Employ		1321.38	11.89	MED	Medical Premium	73.85	Batch	B
REG	Regular Pay	19.09	12.2500	233.85	FITW	Federal Income T	S-0	1321.38	167.20				Net	614.48
REG	Regular Pay	47.37	15.0000	710.55	MED	Medicare		1321.38	19.16				Dir Dep	0.00
					SS	OASDI		1321.38	81.93				Chk Amt	614.48
Total Earnings				1395.23	Total Taxes				313.90	Total Deductions				5002
DTIPS	Declared Tips			727.00	CA	California SITW	M-1	1490.00	18.28	DTIPS	Declared Tips	727.00	Chk Date	11/20/2015
OT	Overtime Pay	0.80	24.0000	19.20	CASDI-E	CA SDI - Employ		1490.00	13.41				Batch	B
REG	Regular Pay	12.30	12.2500	150.68	FITW	Federal Income T	M-1	1490.00	115.33				Net	502.00
REG	Regular Pay	27.52	12.2500	337.12	MED	Medicare		1490.00	21.60				Dir Dep	0.00
REG	Regular Pay	16.00	16.0000	256.00	SS	OASDI		1490.00	92.38				Chk Amt	502.00
Total Earnings				1490.00	Total Taxes				261.00	Total Deductions				5034
DTIPS	Declared Tips			1663.00	CA	California SITW	S-2	2432.24	118.58	DTIPS	Declared Tips	1663.00	Chk Date	11/20/2015
OT	Overtime Pay	0.57	18.3750	10.47	CASDI-E	CA SDI - Employ		2432.24	21.89				Batch	B
REG	Regular Pay	61.94	12.2500	758.77	FITW	Federal Income T	S-2	2432.24	347.24				Net	95.46
					MED	Medicare		2432.24	35.27				Dir Dep	0.00
					SS	OASDI		2432.24	150.80				Chk Amt	95.46
Total Earnings				2432.24	Total Taxes				673.78	Total Deductions				5037

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4 Payroll Resource Group-San Francisco
Filing status and exemptions display current data, not data at the time of the payroll.

Location (02) Haight
Department (63045) Support Staff to (63045) Bar Staff
Employee Shrum to Washington

Location: (02) Haight Department: (63045) Bar Staff Total											
Emp Id	Code	Earning	Hours	Rate	Amount	Code	Tax	Taxable	Amount	Code	Deduction
0	DTIPS	Declared Tips			2783.00	CA	California SITW	5243.62	170.58	DTIPS	Declared Tips
3	OT	Overtime Pay	3.94		87.50	CASDI-E	CA SDI - Employ	5243.62	47.19	MED	Medical Premium
3	REG	Regular Pay	184.22		2446.97	FITW	Federal Income T	5243.62	629.77		Dir Dep
0						MED	Medicare	5243.62	76.03		Chk Amt
3						SS	OASDI	5243.62	325.11		
Total Earnings					188.16	Total Taxes			1248.68	Total Deductions	
									2856.85		

Location: (02) Haight Department: (63075) FOH Hrlly Manager (HAIGHT/DGPTCH)											
Emp Id	Code	Earning	Hours	Rate	Amount	Code	Tax	Taxable	Amount	Code	Deduction
36	OT	Overtime Pay	3.32	25.5000	84.66	CA	California SITW	1417.92	40.09	MED	Medical Premium
17,0000	REG	Regular Pay	79.79	17.0000	1356.43	CASDI-E	CA SDI - Employ	1417.92	12.76		Batch
						FITW	Federal Income T	1417.92	181.68		Net
						MED	Medicare	1417.92	20.56		Dir Dep
						SS	OASDI	1417.92	87.91		Chk Amt
Total Earnings					83.11	Total Taxes			343.00	Total Deductions	
									23.17	Chk/Vcr #	

Location: (02) Haight Department: (63075) FOH Hrlly Manager (HAIGHT/DGPTCH) Total											
Emp Id	Code	Earning	Hours	Rate	Amount	Code	Tax	Taxable	Amount	Code	Deduction
1	OT	Overtime Pay	3.32		84.66	CA	California SITW	1417.92	40.09	MED	Medical Premium
0	REG	Regular Pay	79.79		1356.43	CASDI-E	CA SDI - Employ	1417.92	12.76		Batch
						FITW	Federal Income T	1417.92	181.68		Net
						MED	Medicare	1417.92	20.56		Dir Dep
						SS	OASDI	1417.92	87.91		Chk Amt
Total Earnings					83.11	Total Taxes			343.00	Total Deductions	
									23.17		

Location: (02) Haight Department: (63082) FOH Salaried Manager											
Emp Id	Code	Earning	Hours	Rate	Amount	Code	Tax	Taxable	Amount	Code	Deduction
12	REG	Regular Pay	80.00		2423.08	CA	California SITW	2423.08	122.21		Batch
2423.08						CASDI-E	CA SDI - Employ	2423.08	21.81		Net
						FITW	Federal Income T	2423.08	383.41		Dir Dep
						MED	Medicare	2423.08	35.13		Chk Amt
						SS	OASDI	2423.08	150.23		Chk/Vcr #
Total Earnings					80.00	Total Taxes			712.79	Total Deductions	
									0.00		

Location: (02) Haight Department: (63082) FOH Salaried Manager											
Emp Id	Code	Earning	Hours	Rate	Amount	Code	Tax	Taxable	Amount	Code	Deduction
97	REG	Regular Pay	80.00		2038.46	CA	California SITW	1965.91	82.07	MED	Medical Premium
2038.46						CASDI-E	CA SDI - Employ	1965.91	17.70		Batch
						FITW	Federal Income T	1965.91	307.58		Net
						MED	Medicare	1965.91	28.51		Dir Dep
						SS	OASDI	1965.91	121.89		Chk Amt
Total Earnings					80.00	Total Taxes			557.75	Total Deductions	
									72.55	Chk/Vcr #	

Location: (02) Haight Department: (63082) FOH Salaried Manager Total

Employees	2	Code	Earning	Hours	Rate	Amount	Code	Tax	Taxable	Amount	Code	Deduction	Amount	Checks	2
Female	0	REG	Regular Pay	160.00		4461.54	CA	California SITW	4388.99	204.28	MED	Medical Premium	72.55	Vouchers	0
Male	2						CASDI-E	CA SDI - Employ	4388.99	39.51		Net			3118.45
Chks & Vchrs	2						FITW	Federal Income T	4388.99	690.99		Dir Dep			0.00
Female	0						MED	Medicare	4388.99	63.64		Chk Amt			3118.45
Male	2						SS	OASDI	4388.99	272.12					
Total Earnings				160.00		4461.54	Total Taxes					Total Deductions	72.55		

Location: (02) Haight Total

Employees	45	Code	Earning	Hours	Rate	Amount	Code	Tax	Taxable	Amount	Code	Deduction	Amount	Checks	45
Female	15	DOUBL	Double Time	19.92		664.06	CA	California SITW	69541.68	2337.28	DTIPS	Declared Tips	18202.33	Vouchers	0
Male	30	DTIPS	Declared Tips			18202.33	CASDI-E	CA SDI - Employ	64452.24	580.09	MED	Medical Premium	725.04	Net	35211.79
Chks & Vchrs	45	OT	Overtime Pay	72.30		1785.92	FITW	Federal Income T	69541.68	8116.29		Dir Dep			0.00
Female	15	REG	Regular Pay	2571.03		49253.03	MED	Medicare	69541.68	1008.38		Chk Amt			35211.79
Male	30	RETRO	Retroactive Pay	13.50		165.38	SS	OASDI	65895.12	4085.52					
		SICK	Sick Pay	16.00		196.00									
Total Earnings				2692.75		70266.72	Total Taxes					Total Deductions	18927.37		

Location: (03) Dogpatch Department: (63010) Kitchen - Salaried

Code	Earning	Hours	Rate	Amount	Code	Tax	Taxable	Amount	Code	Deduction	Amount	Type	Reg
REG	Regular Pay	80.00		2320.00	CA	California SITW	M-0	57.68				Chk Date	11/20/2015
					CASDI-E	CA SDI - Employ	2320.00	20.88				Batch	B
					FITW	Federal Income T	M-0	262.90				Net	1801.06
					MED	Medicare	2320.00	33.64				Dir Dep	0.00
					SS	OASDI	2320.00	143.84				Chk Amt	1801.06
Total Earnings		80.00		2320.00	Total Taxes			518.94	Total Deductions		0.00	Chk/Vcr #	5042

Code	Earning	Hours	Rate	Amount	Code	Tax	Taxable	Amount	Code	Deduction	Amount	Type	Reg
REG	Regular Pay	80.00		6000.00	CA	California SITW	S-2	5721.24	455.04	MED	Medical Premium	278.76	11/20/2015
					CASDI-E	CA SDI - Employ	5721.24	1224.53				Batch	B
					FITW	Federal Income T	S-2	5721.24	82.96			Net	3604.00
					MED	Medicare	5721.24	354.71				Dir Dep	0.00
					SS	OASDI	5721.24	2117.24				Chk Amt	3604.00
Total Earnings		80.00		6000.00	Total Taxes			2117.24	Total Deductions		278.76	Chk/Vcr #	5055

Code	Earning	Hours	Rate	Amount	Code	Tax	Taxable	Amount	Code	Deduction	Amount	Type	Reg
REG	Regular Pay	80.00		1440.00	CA	California SITW	S-3	1440.00	27.84			Chk Date	11/20/2015
					CASDI-E	CA SDI - Employ	1440.00	12.96				Batch	B
					FITW	Federal Income T	S-3	1440.00	115.76			Net	1173.28
					MED	Medicare	1440.00	20.88				Dir Dep	0.00
					SS	OASDI	1440.00	89.28				Chk Amt	1173.28
Total Earnings		80.00		1440.00	Total Taxes			266.72	Total Deductions		0.00	Chk/Vcr #	5077

Location: (03) Dogpatch Department: (63010) Kitchen - Salaried Total

Employees	3	Code	Earning	Hours	Rate	Amount	Code	Tax	Taxable	Amount	Code	Deduction	Amount	Checks	3
Female	0	REG	Regular Pay	240.00		9760.00	CA	California SITW	9481.24	540.56	MED	Medical Premium	278.76	Vouchers	0
Males	3						CASDI-E	CA SDI - Employ	3760.00	33.84				Net	6578.34
Chks & Vchrs	3						FITW	Federal Income T	9481.24	1603.19				Dir Dep	0.00
Female	0						MED	Medicare	9481.24	137.48				Chk Amt	6578.34
Male	3						SS	OASDI	9481.24	587.83					
Total Earnings				240.00		9760.00	Total Taxes			2902.90	Total Deductions		278.76		

Location: (03) Dogpatch Department: (63015) Kitchen - Hourly

Code	Earning	Hours	Rate	Amount	Code	Tax	Status	Taxable	Amount	Code	Deduction	Amount	Type	Reg
DTIPS	Declared Tips			220.00	CA	California SITW	S-1	1394.40	33.97	DTIPS	Declared Tips	220.00	Chk Date	11/20/2015
OT	Overtime Pay	0.26	24.0000	6.24	CASDI-E	CA SDI - Employ		1394.40	12.55				Batch	B
REG	Regular Pay	73.01	16.0000	1168.16	FITW	Federal Income T	S-1	1394.40	155.07				Net	866.14
					MED	Medicare		1394.40	20.22				Dir Dep	0.00
					SS	OASDI		1394.40	86.45				Chk Amt	866.14
Total Earnings		73.27		1394.40	Total Taxes				308.26	Total Deductions		220.00	Chk/Vcr #	5040
DTIPS	Declared Tips			239.00	CA	California SITW	S-0	1356.07	36.01	DTIPS	Declared Tips	239.00	Chk Date	11/20/2015
OT	Overtime Pay	0.75	24.0000	18.00	CASDI-E	CA SDI - Employ		1356.07	12.21	MED	Medical Premium	23.17	Batch	B
REG	Regular Pay	70.14	16.0000	1122.24	FITW	Federal Income T	S-1	1356.07	149.32				Net	815.79
					MED	Medicare		1356.07	19.67				Dir Dep	0.00
					SS	OASDI		1356.07	84.07				Chk Amt	815.79
Total Earnings		70.89		1379.24	Total Taxes				301.28	Total Deductions		262.17	Chk/Vcr #	5041
DTIPS	Declared Tips			296.00	CA	California SITW	S-1	1118.59	19.07	DTIPS	Declared Tips	296.00	Chk Date	11/20/2015
REG	Regular Pay	67.15	12.2500	822.59	CASDI-E	CA SDI - Employ		1118.59	10.07				Batch	B
					FITW	Federal Income T	S-1	1118.59	113.70				Net	594.18
					MED	Medicare		1118.59	16.22				Dir Dep	0.00
					SS	OASDI		1118.59	69.35				Chk Amt	594.18
Total Earnings		67.15		1118.59	Total Taxes				228.41	Total Deductions		296.00	Chk/Vcr #	5045
DTIPS	Declared Tips			300.00	CA	California SITW	S-1	1327.91	29.58	DTIPS	Declared Tips	300.00	Chk Date	11/20/2015
OT	Overtime Pay	1.78	19.5000	34.71	CASDI-E	CA SDI - Employ		1327.91	11.95				Batch	B
REG	Regular Pay	76.40	13.0000	993.20	FITW	Federal Income T	S-1	1327.91	145.10				Net	739.69
					MED	Medicare		1327.91	19.26				Dir Dep	0.00
					SS	OASDI		1327.91	82.33				Chk Amt	739.69
Total Earnings		78.18		1327.91	Total Taxes				288.22	Total Deductions		300.00	Chk/Vcr #	5047

Page 14

Process: 2015112001
Period: 11/02/2015 to 11/15/2015

Case: 1:14-cv-01480 Document: 6 Filed: 11/30/15 Entered: 11/30/15 22:26:34 Page 32 of 44

Regulier € 1995-2015 MPAY

Obid,	Code	Earning	Hours	Rate	Amount	Code	Tax	Status	Taxable	Amount	Code	Deduction	Amount	Type	Reg
189	DTIPS	Declared Tips			305.00	CA	California SITW	S-0	864.30	12.45	DTIPS	Declared Tips	305.00	Batch	11/20/2015
189	OT	Overtime Pay	0.55	21.00000	2.10	CASDI-E	CA SDI - Employ		864.30	7.78				Batch	B
14.0000	REG	Regular Pay	79.80	14.00000	557.20	FITW	Federal Income T	S-0	864.30	98.64				Net	374.32
						MED	Medicare		864.30	12.53				Dir Dep	0.00
						SS	OASDI		864.30	53.58				Chk Amt	374.32
	Total Earnings		80.35		864.30	Total Taxes				184.98	Total Deductions		305.00	Chk/Vcr #	5063
189	RETRO	Retroactive Pay	47.85	1.75000	83.74	CA	California SITW	S-0	83.74					Type	Manual
14.0000						CASDI-E	CA SDI - Employ		83.74	0.76				Chk Date	11/20/2015
						FITW	Federal Income T	S-0	83.74					Batch	VM
						MED	Medicare		83.74	1.22				Net	76.57
						SS	OASDI		83.74	5.19				Dir Dep	0.00
	Total Earnings		47.85		83.74	Total Taxes				7.17	Total Deductions		0.00	Chk/Vcr #	16576
75	DTIPS	Declared Tips			127.00	CA	California SITW	M-1	509.20					Type	Reg
12.2500	REG	Regular Pay	31.20	12.25000	382.20	CASDI-E	CA SDI - Employ		509.20	4.58				Chk Date	11/20/2015
						FITW	Federal Income T	M-1	509.20	2.46				Batch	B
						MED	Medicare		509.20	7.38				Net	336.21
						SS	OASDI		509.20	31.57				Dir Dep	0.00
	Total Earnings		31.20		509.20	Total Taxes				45.99	Total Deductions		127.00	Chk Amt	336.21
84	DTIPS	Declared Tips			308.00	CA	California SITW	S-0	1626.10	53.83				Type	Reg
14.0000	OT	Overtime Pay	2.43	25.50000	61.97	CASDI-E	CA SDI - Employ		1626.10	14.63				Chk Date	11/20/2015
	REG	Regular Pay	73.89	17.00000	1256.13	FITW	Federal Income T	S-0	1626.10	222.63				Batch	B
						MED	Medicare		1626.10	23.58				Net	902.61
						SS	OASDI		1626.10	100.82				Dir Dep	0.00
	Total Earnings		76.32		1626.10	Total Taxes				415.49	Total Deductions		308.00	Chk Amt	902.61
														Chk/Vcr #	5074

Location: (03) Dogpatch Department: (63015) Kitchen - Hourly Total

Employees	Code	Earning	Hours	Rate	Amount	Code	Tax	Status	Taxable	Amount	Code	Deduction	Amount	Checks	Reg
Female	13	DTIPS			2856.00	CA	California SITW	S-0	12518.63	226.71	DTIPS	Declared Tips	2856.00	Vouchers	14
Male	12	OT	6.18		132.25	CASDI-E	CA SDI - Employ		12518.63	112.69	MED	Medical Premium	23.17	Net	0
Chk & Vchrs	14	REG	690.57		9469.81	FITW	Federal Income T		12518.63	1148.61					7216.97
Female	1	RETRO	47.85		83.74	MED	Medicare		12518.63	181.53				Dir Dep	0.00
Male	13					SS	OASDI		12518.63	776.12				Chk Amt	7216.97
	Total Earnings		744.60		12541.80	Total Taxes				2445.66	Total Deductions		2879.17		

Code	Earning	Hours	Rate	Amount	Code	Tax	Status	Taxable	Amount	Code	Deduction	Amount	Type	Reg		
DTIPS	Declared Tips			278.00	CA	California SITW	S-2	762.54	0.98	DTIPS	Declared Tips	278.00	Chk Date	11/20/2015		
REG	Regular Pay	22.48	12.2500	275.38	CASDI-E	CA SDI - Employ		762.54	6.86				Batch	B		
REG	Regular Pay	14.94	14.0000	209.16	FITW	Federal Income T	S-2	762.54	37.22				Net	381.14		
					MED	Medicare		762.54	11.06				Dir Dep	0.00		
					SS	OASDI		762.54	47.28				Chk Amt	381.14		
Total Earnings				37.42	Total Taxes				103.40	Total Deductions				278.00	Chk/Vcr #	
Code	Earning	Hours	Rate	Amount	Code	Tax	Status	Taxable	Amount	Code	Deduction	Amount	Type	Reg		
DTIPS	Declared Tips			1210.00	CA	California SITW	S-0	2042.20	88.79	DTIPS	Declared Tips	1210.00	Chk Date	11/20/2015		
OT	Overtime Pay	0.05	18.3750	0.92	CASDI-E	CA SDI - Employ		2042.20	18.38				Batch	B		
REG	Regular Pay	59.99	12.2500	734.88	FITW	Federal Income T	S-0	2042.20	326.66				Net	242.14		
REG	Regular Pay	4.82	20.0000	96.40	MED	Medicare		2042.20	29.61				Dir Dep	0.00		
					SS	OASDI		2042.20	126.62				Chk Amt	242.14		
Total Earnings				64.86	Total Taxes				590.06	Total Deductions				1210.00	Chk/Vcr #	
Code	Earning	Hours	Rate	Amount	Code	Tax	Status	Taxable	Amount	Code	Deduction	Amount	Type	Reg		
DTIPS	Declared Tips			440.00	CA	California SITW	S-3	1072.10	7.89	DTIPS	Declared Tips	440.00	Chk Date	11/20/2015		
REG	Regular Pay	16.83	12.2500	206.17	CASDI-E	CA SDI - Employ		1072.10	9.65				Batch	B		
REG	Regular Pay	34.77	12.2500	425.93	FITW	Federal Income T	S-3	1072.10	60.57				Net	471.97		
					MED	Medicare		1072.10	15.55				Dir Dep	0.00		
					SS	OASDI		1072.10	66.47				Chk Amt	471.97		
Total Earnings				51.60	Total Taxes				160.13	Total Deductions				440.00	Chk/Vcr #	
Code	Earning	Hours	Rate	Amount	Code	Tax	Status	Taxable	Amount	Code	Deduction	Amount	Type	Reg		
DTIPS	Declared Tips			350.00	CA	California SITW	S-0	840.61	11.84	DTIPS	Declared Tips	350.00	Chk Date	11/20/2015		
REG	Regular Pay	40.05	12.2500	490.61	CASDI-E	CA SDI - Employ		840.61	7.57				Batch	B		
					FITW	Federal Income T	S-0	840.61	95.08				Net	311.81		
					MED	Medicare		840.61	12.19				Dir Dep	0.00		
					SS	OASDI		840.61	52.12				Chk Amt	311.81		
Total Earnings				40.05	Total Taxes				178.80	Total Deductions				350.00	Chk/Vcr #	
Code	Earning	Hours	Rate	Amount	Code	Tax	Status	Taxable	Amount	Code	Deduction	Amount	Type	Manual		
DTIPS	Declared Tips			149.00	CA	California SITW	S-1	446.65	4.02	DTIPS	Declared Tips	149.00	Chk Date	11/20/2015		
REG	Regular Pay			91.24	CASDI-E	CA SDI - Employ		446.65	11.31				Batch	VM		
REG	Regular Pay	16.85	12.2500	206.41	FITW	Federal Income T	S-1	446.65	6.47				Net	248.16		
					MED	Medicare		446.65	6.47				Dir Dep	0.00		
					SS	OASDI		446.65	27.69				Chk Amt	248.16		
Total Earnings				16.85	Total Taxes				49.49	Total Deductions				149.00	Chk/Vcr #	
Code	Earning	Hours	Rate	Amount	Code	Tax	Status	Taxable	Amount	Code	Deduction	Amount	Type	Nocalc		
DTIPS	Declared Tips			149.00	CA	California SITW	S-1	355.41	3.20	DTIPS	Declared Tips	149.00	Chk Date	11/20/2015		
REG	Regular Pay	16.85		206.41	CASDI-E	CA SDI - Employ		355.41	11.31				Batch	B		
					FITW	Federal Income T	S-1	355.41	5.15				Net	164.72		
					MED	Medicare		355.41	22.03				Dir Dep	0.00		
					SS	OASDI		355.41	41.69				Chk Amt	164.72		
Total Earnings				16.85	Total Taxes				355.41	41.69	Total Deductions				149.00	Chk/Vcr #

4 Payroll Resource Group-San Francisco

Run Date:	11/22/15	Location
Run Time:	11:01 PM	Department
		Employee

(03) Dogpatch
(63025) Wait Staff
Lagusis to Ray

Code	Earning	Hours	Rate	Amount	Code	Tax	Status	Taxable	Amount	Code	Deduction	Amount	Type	Reg
DTIPS	Declared Tips			270.00	CA	California SITW	S-1	726.56	4.76	DTIPS	Declared Tips	270.00	Batch	11/20/2015
REG	Regular Pay	37.27	12.2500	456.56	CASDI-E	CA SDI - Employ		726.56	6.54					B
					FITW	Federal Income T	S-1	726.56	54.90				Net	334.79
					MED	Medicare		726.56	10.53				Dir Dep	0.00
					SS	OASDI		726.56	45.04				Chk Amt	334.79
Total Earnings				726.56	Total Taxes				121.77	Total Deductions				5071
DTIPS	Declared Tips			268.00	CA	California SITW	S-0	779.32	10.49	DTIPS	Declared Tips	268.00	Batch	11/20/2015
REG	Regular Pay	41.74	12.2500	511.32	CASDI-E	CA SDI - Employ		779.32	7.01					B
					FITW	Federal Income T	S-0	779.32	85.89				Net	348.31
					MED	Medicare		779.32	11.30				Dir Dep	0.00
					SS	OASDI		779.32	48.32				Chk Amt	348.31
Total Earnings				779.32	Total Taxes				163.01	Total Deductions				5072

Location: (03) Dogpatch Department: (63025) Wait Staff Total

Code	Earning	Hours	Rate	Amount	Code	Tax	Status	Taxable	Amount	Code	Deduction	Amount	Checks	Reg
DTIPS	Declared Tips			4409.00	CA	California SITW		11082.53	162.12	DTIPS	Declared Tips	4409.00	Vouchers	14
REG	Regular Pay	0.05		0.92	CASDI-E	CA SDI - Employ		11082.53	99.75				Net	0
	Overtime Pay	532.07		6672.61	FITW	Federal Income T		11082.53	984.86				Dir Dep	4579.00
					MED	Medicare		11082.53	160.69				Chk Amt	0.00
					SS	OASDI		11082.53	687.11					4579.00
Total Earnings				11082.53	Total Taxes				2094.53	Total Deductions				4409.00

Location: (03) Dogpatch Department: (63045) Bar Staff

Code	Earning	Hours	Rate	Amount	Code	Tax	Status	Taxable	Amount	Code	Deduction	Amount	Type	Reg
DTIPS	Declared Tips			1420.00	CA	California SITW	M-0	2050.44	45.82	DTIPS	Declared Tips	1420.00	Batch	11/20/2015
REG	Regular Pay	28.95	12.2500	354.64	CASDI-E	CA SDI - Employ		2050.44	18.45					B
					FITW	Federal Income T	M-0	2050.44	222.47				Net	186.85
					MED	Medicare		2050.44	29.73				Dir Dep	0.00
					SS	OASDI		2050.44	127.12				Chk Amt	186.85
Total Earnings				2050.44	Total Taxes				443.59	Total Deductions				5043
DTIPS	Declared Tips			1066.00	CA	California SITW	S-1	1590.22	46.89	DTIPS	Declared Tips	1066.00	Batch	11/20/2015
REG	Regular Pay	44.15	12.2500	540.84	CASDI-E	CA SDI - Employ		1590.22	14.31					B
					FITW	Federal Income T	S-1	1590.22	184.45				Net	156.91
					MED	Medicare		1590.22	23.06				Dir Dep	0.00
					SS	OASDI		1590.22	98.60				Chk Amt	156.91
Total Earnings				1606.84	Total Taxes				367.31	Total Deductions				5048

Emp Id 74	Rate 12.2500	Code DTIPS	Earnings Declared Tips	Hours 11.49	Rate 12.2500	Amount 140.75	Code CA	Tax California SITW	Status S-2	Taxable 675.18	Amount 6.07	Code DTIPS	Deduction Declared Tips	Amount 23.17	Type Chk Date	Reg 11/20/2015
		REG	Regular Pay	23.84	15.0000	357.60	CASDI-E	CA SDI - Employ		675.18	27.90	MED	Medical Premium		Batch	B
		REG	Regular Pay				FITW	Federal Income T	S-2	675.18	9.79				Net	389.56
							MED	Medicare		675.18					Dir Dep	0.00
							SS	OASDI		675.18	41.86				Chk Amt	389.56
																5064
			</													

Payroll Resource Group-San Francisco

Run Date: 11/22/15
Run Time: 11:01 PM

**(03) Dogpatch
(63045) Bar Staff
Ocampo to Villa**

Location: (03) Dogpatch
Department: (64015) Brewery - Hourly

Code	Earning	Hours	Rate	Amount	Code	Tax	Status	Taxable	Amount	Code	Deduction	Amount	Type	Reg
OT	Overtime Pay	0.63	22.5000	14.18	CA	California SITW	S-2	1455.30	33.42	MED	Medical Premium	107.17	Chk Date	11/20/2015
OT	Overtime Pay	4.86	24.7500	120.29	CASDI-E	CA SDI - Employ		1455.30	13.10				Batch	B
REG	Regular Pay	8.00	15.0000	120.00	FITW	Federal Income T	S-2	1455.30	141.13				Net	1156.32
REG	Regular Pay	72.00	16.5000	1188.00	MED	Medicare		1455.30	21.10				Dir Dep	0.00
RETRO	Retroactive Pay	8.00	15.0000	120.00	SS	OASDI		1455.30	90.23				Chk Amt	1156.32
Total Earnings				93.49	Total Taxes				298.98	Total Deductions				5057
OT	Overtime Pay	2.64	28.0500	74.05	CA	California SITW	S-1	1565.94	45.29				Chk Date	11/20/2015
REG	Regular Pay	79.78	18.7000	1491.89	CASDI-E	CA SDI - Employ		1565.94	14.10				Batch	B
					FITW	Federal Income T	S-1	1565.94	180.80				Net	1205.96
					MED	Medicare		1565.94	22.71				Dir Dep	0.00
					SS	OASDI		1565.94	97.08				Chk Amt	1205.96
Total Earnings				82.42	Total Taxes				359.98	Total Deductions				5078

Location: (03) Dogpatch Department: (64015) Brewery - Hourly Total

2	Code	Earning	Hours	Rate	Amount	Code	Tax	California SITW	Taxable	Amount	Code	Deduction	Amount	Checks	2
0	OT	Overtime Pay	8.13		208.52	CA	California	SITW	3021.24	78.71				Vouchers	0
2	REG	Regular Pay	159.78		2799.89	CASDLE	CA SDI - Employ		3021.24	27.20				Net	2362.28
2	RETRO	Retroactive Pay	8.00		120.00	FITW	Federal Income T		3021.24	321.93				Dir Dep	0.00
0								Medicare	3021.24	43.81				Chk Amt	2362.28
2						SS	OASDI		3021.24	187.31					
Total Earnings															
			175.91		3128.41	Total Taxes				658.96	Total Deductions		107.17		

Location: (03) Dogpatch Total

41	Code	Earning	Hours	Rate	Amount	Code	Tax	Taxable	Amount	Code	Deduction	Amount	Checks
14	DTIPS	Declared Tips			14804.00	CA	California SITW	52783.15	1538.53	DTIPS	Declared Tips	14804.00	Vouchers
27	OT	Overtime Pay	15.72		366.69	CASDI-E	CA SDI - Employ	47061.91	423.57	MED	Medical Premium	730.70	Net
43	REG	Regular Pay	2012.51		38139.42	FITW	Federal Income T	52783.15	6075.89				Dir Dep
15	REIMB	Expense Reimbu			100.00	MED	Medicare	52783.15	765.38				Chk Amt
28	RETRO	Retrospective Pay	55.85			SS	OASDI	52783.15	3272.51				
Total Earnings			2084.08		53613.85	Total Taxes			12075.88	Total Deductions		15534.70	

Report Total

90	Code	Earning	Hours	Rate	Amount	Code	Tax	Taxable	Amount	Code	Deduction	Amount	Checks	92
29	DOUBL	Double Time	19.92		664.06	CA	California SITW	131141.31	4280.10	DTIPS	Declared Tips	33006.33	Vouchers	0
61	DTIPS	Declared Tips			33006.33	CASDI-E	CA SDI - Employ	120330.63	1083.02	MED	Medical Premium	1562.36	Net	67519.48
92	OT	Overtime Pay	88.02		2152.61	FITW	Federal Income T	131141.31	15546.14				Dir Dep	0.00
30	REG	Regular Pay	4903.54		96315.55	MED	Medicare	131141.31	1901.59				Chk Amt	67519.48
62	REIMB	Expense Reimbu			100.00	SS	OASDI	127494.75	7904.65					
	RETRO	Retroactive Pay	69.35		369.12									
	SICK	Sick Pay	16.00		196.00									
Total Earnings					5096.83	Total Taxes					30715.50	Total Deductions		34568.69

PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is:

10250 Constellation Blvd., Suite 1700, Los Angeles, CA 90067

A true and correct copy of the foregoing document entitled (*specify*): **Omnibus Declaration Of John Appel In Support Of: (1) Debtor's Emergency Motion For, And Memorandum Of Points And Authorities In Support Of, Entry Of Interim And Final Orders: (I) Authorizing Debtor To Use Cash Collateral Pursuant To 11 U.S.C. § 363; (II) Granting Adequate Protection To Pre-Petition Secured Creditors Pursuant To 11 U.S.C. §§ 361, 363, And 507; (III) Scheduling A Final Hearing Pursuant To Fed.R.Bankr.P. 4001(B); And (IV) Granting Related Relief; And (2) Debtor's Emergency Motion For Order: (1) Authorizing Debtor To (A) Pay And Honor Pre-Petition Employee Wages, Related Payroll Taxes, Reimbursable Expenses And Other Employee Obligations In The Ordinary Course Of Business; (B) Honor Accrued Vacation, Leave And Other Benefits; And (2) Providing Related Relief** will be served or was served (a) on the judge in chambers in the form and manner required by LBR 5005-2(d); and (b) in the manner stated below:

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF): Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On (date) February 28, 2014, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

☒ Service information continued on attached page

2. SERVED BY UNITED STATES MAIL:

On November 30, 2015, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

☐ Service information continued on attached page

3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL (state method for each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on November 30, 2015, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

Via email and/or overnight mail as indicated on the attached service list

Via Overnight Mail to:
The Honorable Judge Montali
United States Bankruptcy Court – San Francisco Division
235 Pine Street, 19th Floor
San Francisco, CA 94104

☒ Service information continued on attached page

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

November 30, 2015 Jason Klassi
Date Printed Name

/s/ Jason Klassi
Signature

15-31480 Notice will be electronically mailed to:

Ron Bender on behalf of Debtor Magnolia Brewing Company, LLC
rb@lnbyb.com

Office of the U.S. Trustee / SF
USTPRegion17.SF.ECF@usdoj.gov, ltroxas@hotmail.com

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**20 Largest
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